Federal money, we expect every public school in America to teach the basics.

And we say, "You must measure to show us whether or not a child can read or write and add and subtract. And if they can't, there will be extra resources to help that child." But at some point in time, if a child is trapped in a school which will not teach and will not change, we believe the parent ought to have different options to liberate that child. No child should be left behind in America.

A hopeful tomorrow—make sure America keeps its promises. We have led on the issue of Medicare. The House passed a bill. The Senate passed a bill. They're working out differences to give seniors more choices, more options, just like the Members of Congress have, and at the same time, prescription drug coverage. Congress needs to come together and get a good Medicare bill to my desk.

There are a lot of ways to make sure America remains hopeful, a prosperous economy, good health care, a great education system. But we must remember that in our society, there are some who seem hopelessly lost, some who hurt, some who are lonely. Government can pass out money, but it cannot put hope in a person's heart or a sense of purpose in a person's life. And that's why the job of the President is to capture the great spirit of our country, to call people to service.

I recognize that our strength is not in our armies or in our pocketbooks. Our strength is in the hearts and souls of American citizens, people from all faiths, all walks of life, whether they be Christian, Jew, or Muslim, or Hindu, people have heard the universal call to love a neighbor just like they'd like to be called themselves. No, that's our strength.

In order to make sure this country meets the great goal of hope and respect and decency, the President must be willing to rely upon the strength of the country. And that's why I put forth a Faith-Based Initiative, recognizing that in our houses of worship of all faiths, we find love and compassion and decency.

There are some whose problems can only be solved when a brother or sister puts their arm around you and says, "I love you. What can I do to help you? I want to mentor you. I want to teach you how to read. I'll provide food if you're hungry, shelter if you need a place to stay." No, the strength of this country is the heart and soul of the American people, the decency, the compassion, the soldiers in the armies of compassion.

There's no question in my mind that America will be a hopeful place. And there's no question in my mind that with your help, in November of 2004 we will win a great victory and will continue to work to keep America strong and secure and prosperous and free.

Thank you all for coming. May God bless. God bless you all.

NOTE: The President spoke at 7:53 p.m. at the Washington Hilton Hotel. In his remarks, he referred to Ed Gillespie, chairman, Ann Wagner, cochairman, and Al Hoffman, finance chairman, Republican National Committee; and former President Saddam Hussein of Iraq.

Remarks at Pease Air National Guard Base in Portsmouth, New Hampshire October 9, 2003

Thanks for coming. Thanks for such a warm welcome. I'm pleased to be back in

the great State of New Hampshire again. And I'm honored to be with the Army and Air National Guard, and with reservists from every branch of our military. You are demonstrating that duty and public service are alive and well in New Hampshire. You stand ready to defend your fellow citizens, and you need to know your fellow citizens are grateful.

All of you are balancing jobs and your lives and public service. You care about your communities, and you care about your country. Today I'm going to talk about two great priorities for our country. We'll promote economic growth and create jobs for America, and we'll wage the war on terror until it is won.

I want to thank Major General Blair for the introduction and for putting up with my entourage. [Laughter] I want to thank his commander in chief, the Governor of the great State of New Hampshire, for joining us today, Governor Benson, and first lady Denise. I want to thank Major General Joseph Simeone, Brigadier General John Weeden, Brigadier General Benton Smith, Colonel Protzmann—Carolyn Protzmann, Lt. Colonel Robert Monahan, and Lt. Colonel Leroy Dunkelberger, State Command Sergeant Michael Rice, Command Chief Master Sergeant Ronald Nadeau. And thank you all. Thank you for coming to say hello. I'm honored that you are here.

This State is fortunate to have an excellent Governor. You're fortunate to have an excellent congressional delegation as well. I'm proud to be here today with two fine United States Senators, my friend Judd Gregg—and his wife, Cathy—and my friend John Sununu. Thank you, Senators, for being here. These Senators are strong supporters of your mission. They appreciate what you do. They vote for strong defense budgets because they know what I know, that any time we put our troops into harm's way, you must have the best training, the best equipment, the best possible pay. Congressman Charlie Bass and Congressman Jeb Bradley, who are with us today, understand that as well. Thank the Congressmen

for coming with me today. Thank you all for being here.

My friend Ruth Griffin is here from the Executive Council of New Hampshire. Maureen Barrows is here as well. I appreciate the local officials who have come—State and local officials—to greet me and to be here with you today.

I know that the New Hampshire Wildcat hockey players are here. I'd like to give you some advice, but I don't know how to ice skate. [Laughter]

Today when I landed, I met a lady named Cathy Rice. It's important for me to herald the armies of the soldiers of compassion, people I meet when I land in respective cities. It's important because it helps our country understand our true strength is not our military might or the size of our wallet. The true strength of America is the hearts and souls of fellow citizens who are willing to help people who need help.

You see, Cathy Rice supports—provides support services to hundreds of New Hampshire National Guard families. She helps find babysitters and prepares meals and assists with paying bills, helps families when there's a deployment. She knows people stay behind; they worry about their loved ones. She helps fill that void with love and compassion and care. She offers support to the New Hampshire Army National Guard Family Volunteer Program. It's an important service. It's an important part of completing the mission. She does so because she cares about a fellow citizen.

I'm proud of Cathy. I'm proud of her heart. I want to thank her for her service and encourage each and every one of you to love a neighbor just like you'd like to be loved yourself. America's strength is the heart and soul of our citizens.

New Hampshire has had citizen soldiers since before America was a country. Militia and volunteers and guardsmen have served from the Revolution to the Civil War to World War II to Desert Storm. Honor and service and courage are great New Hampshire traditions, and you're upholding those traditions. We live in an era of new threats, and the citizens of New Hampshire are stepping forward to meet those dangers.

Citizen soldiers have performed mid-air refueling missions for coalition forces in Iraq. You're training members of the Afghan National Army. You're guarding suspected terrorists at Guantanamo Bay, preparing for homeland security missions. Citizen soldiers are serving on every front on the war on terror, and you're making your State and your country proud.

Serving your country can bring sacrifice and uncertainty and separation. Your lives can be changed in a moment, with a sudden call to duty. I want to thank you for your willingness to heed that important call. And I want to thank your families. I want to thank your sons and daughters, your husbands and wives, who share in your sacrifice, who are willing to sacrifice for our country, and who stand behind you.

You're serving at a time of testing for this Nation. And we're meeting the tests of history. We're defeating the enemies of freedom. We're confronting the challenge to build prosperity for our country. Every test of America has revealed the character of America. And after the last 2 years, no one in the world, friend or foe, can doubt the will and the character and the strength of the American people.

When you become the President, you cannot predict all the challenges that will come. But you do know the principles that you bring to the office, and they should not change with time or with polls. I took this office to make a difference, not to mark time. I came to this office to confront problems directly and forcefully, not to pass them on to other Presidents and other generations. The challenges we face today cannot be met with timid actions or bitter words. Our challenges will be overcome with optimism and resolve and confidence in the ideals of America.

Because we believe in our free enterprise system, we can be confident in our economy's future. Our economy has been through a lot. When I took office, the stock market had been declining for 9 months, and our economy was headed into recession. And just as we started to recover, the attacks of September the 11th struck another blow to our economy. And then investor confidence was shaken by scandals—scandals in corporate America, dishonest behavior we cannot and we will not tolerate in our country. And then we faced the uncertainty that preceded the battles of Afghanistan and Iraq.

No, we've been through a lot. But we acted. We led. We acted to overcome these challenges and acted on principle. Government doesn't create wealth. The role of Government is to create the kind of conditions where risktakers and entrepreneurs can invest and grow and hire new workers. We acted to create the conditions for job growth so people can find work. When Americans have more take-home pay, more money in their pocket to spend or save or invest, the whole economy grows, and people are more likely to find a job. So I twice led the United States Congress to pass historic tax relief for the American people.

We wanted tax relief to be broad and fair as possible, so we reduced taxes on everyone who pays income taxes. We have a Tax Code that penalizes marriage. That doesn't make sense. [Laughter] So we reduced the marriage penalty. It costs a lot to raise children—we understand that in Washington, DC—and it costs a lot to pay for their education. So we increased the child credit to \$1,000 per child. And when we said, "The check was in the mail," we meant it.

We recognize that it's counterproductive to discourage investment, especially during an economic recovery. So we quadrupled the expense deduction for small-business investment and cut tax rates on dividends and capital gains. It is unfair to tax the estates of people—people leave behind after a lifetime of saving or building a small business or running a farm. When you leave this world, the IRS shouldn't follow you. [Laughter] So we're phasing out the Federal death tax.

I proposed and signed these measures to help individuals and help families, but I did so as well to help small businesses. See, most small-business owners pay taxes under the individual tax rates, and therefore, when we cut all rates, small businesses benefit. We help mom-and-pops and startups and small businesses by allowing higher expense deductions.

The reason I did so is because I understand small businesses create most of the new jobs in America. If we're worried about job creation, if we want there to be jobs for America, we must encourage small businesses. See, small businesses are the first to—usually the first to take risk, the first to hire new people. By helping small businesses, we help the entire economy.

These actions are helping people across this State. We've cut taxes on 112,000 small-business owners in New Hampshire. We've reduced the marriage penalty for 192,000 couples. We've increased the child credit for 124,000 families. See, I know this: I know that New Hampshire citizens can spend their money better than the people in Washington, DC.

We're following a clear and consistent economic strategy, and I'm confident about our future. Last month this economy exceeded expectations and added net new jobs. Inflation is low. After-tax incomes are rising. Homeownership is at record highs. And productivity is high, and it is rising as well. Factory orders, particularly for high-tech equipment, have risen over the last several months. Our strategy has set the stage for sustained growth. By reducing taxes, we kept a promise, and we did the right thing at the right time for the American economy.

We're moving forward, but we are not satisfied. We can't be satisfied so long as

we have fellow citizens who are looking for work. I understand that here in New Hampshire, one out of every five jobs have been lost in the manufacturing sector. That's an issue we must deal with. We must act boldly from this point forward to create jobs for America. So I want Congress to join me in a six-point plan to encourage job creation.

First, we must help small businesses grow and hire by controlling the high cost of health care. I have laid out a plan to do so.

We must confront the junk lawsuits that are harming a lot of good and honest businesses. I have laid out a plan to do so.

We must have a sound national energy policy. We must keep the lights on and make America less dependent on foreign sources of energy.

We must continue to cut useless Government regulations that choke job creation. We must work for a free trade policy that opens up markets and levels the playing field for American workers and manufacturing companies.

And we need to make sure the tax relief we passed doesn't disappear in future years. Now, you're wondering why I would say that. Well, because of a quirk in the legislation, the tax cuts that we passed are scheduled to go away unless we act. See, the child credit goes away in a couple of years. In other words, you get the \$1,000 now; it's going down to \$700 in a couple years—unless the Congress acts. The death penalty which is scheduled to go away comes back unless the Congress acts.

You see, when we passed tax relief, I know most Americans did not expect to see higher taxes come back through the back door. I also understand for job creation, it's important to have certainty in the Tax Code. People have got to be able to plan. And so if Congress is really interested in job creation, they will make the tax cuts we passed permanent.

And as we overcome our challenges to the economy, we're answering great threats to our security. September the 11th, 2001, moved our country to grief and moved our country to action. We made a pledge that day, and we have kept it: We will bring the guilty to justice; we will take the fight to the enemy.

We now see our enemy clearly. The terrorists plot in secret. They target the innocent. They defile a great religion. They hate everything this Nation stands for. These committed killers will not be stopped by negotiations; they won't respond to reason. The terrorists who threaten America cannot be appeased. They must be found. They must be fought, and they must be defeated.

This is a new kind of war, and we must adjust. It's a new kind of war, and America is following a new strategy. We're not waiting for further attacks. We're striking our enemies before they can strike us again. We've taken unprecedented steps to protect our homeland. And for those of you who are here who are on the frontlines of homeland protection, thank you. Thank you for what you're doing.

Yet wars are won on the offensive, and our friends and America are staying on the offensive. We're finding them. We're on the hunt. We're rolling back the terrorist threats, not on the fringes of its influence but at the heart of its power. We're making good progress. We're hunting the Al Qaida terrorists wherever they hide, from Pakistan to the Philippines to the Horn of Africa to Iraq. Nearly two-thirds of Al Qaida's known leaders have been captured or killed. Our resolve is firm; our resolve is clear: No matter how long it takes, all who plot against America will face the justice of America.

We have sent a message understood throughout the world, "If you harbor a terrorist, if you support a terrorist, if you feed a terrorist, you are just as guilty as the terrorists." And the Taliban found out what we meant. Thanks to our great military, Afghanistan is no longer a safe haven for terror, the Afghan people are free, and the

people of America are more secure from attack.

And we have fought the war on terror in Iraq. The regime of Saddam Hussein possessed and used weapons of mass destruction, sponsored terrorist groups, and inflicted terror on its own people. Nearly every nation recognized and denounced this threat for over a decade. Last year, the U.N. Security Council—in Resolution 1441—demanded that Saddam Hussein disarm, prove his disarmament to the world, or face serious consequences. The choice was up to the dictator, and he chose poorly.

I acted because I was not about to leave the security of the American people in the hands of a madman. I was not about to stand by and wait and trust in the sanity and restraint of Saddam Hussein. So our coalition acted, in one of the swiftest and most humane military campaigns in history. And 6 months ago today, the statue of the dictator was pulled down.

Since the liberation of Iraq, our investigators have found evidence of a clandestine network of biological laboratories. They found advanced design work on prohibited longer range missiles. They found an elaborate campaign to hide these illegal programs. There's still much to investigate, yet it is now undeniable that Saddam Hussein was in clear violation of United Nations Security Council Resolution 1441. It is undeniable that Saddam Hussein was a deceiver and a danger. The Security Council was right to demand that Saddam Hussein disarm, and we were right to enforce that demand.

Who can possibly think that the world would be better off with Saddam Hussein still in power? Surely not the dissidents who would be in his prisons or end up in mass graves. Surely not the men and women who would fill Saddam's torture chambers or the women in his rape rooms. Surely not the victims he murdered with poison gas. Surely not anyone who cares about human rights and democracy and stability in the Middle East. There is only

one decent and humane reaction to the fall of Saddam Hussein: Good riddance!

Now our country is approaching a choice. After all the action we have taken, after all the progress we have made against terror, there is a temptation to think the danger has passed. The danger hasn't passed. Since September the 11th, the terrorists have taken lives. Since the attacks on our Nation that fateful day, the terrorists have attacked in Casablanca, Mombasa, Jerusalem, Amman, Riyadh, Baghdad, Karachi, New Delhi, Bali, and Jakarta. The terrorists continue to plot and plan against our country and our people.

America must not forget the lessons of September the 11th. America cannot retreat from our responsibilities and hope for the best. Our security will not be gained by timid measures. Our security requires constant vigilance and decisive action. I believe America has only one option: We must fight this war until the work is done.

We're fighting on many fronts, and Iraq is now the central front. Saddam holdouts and foreign terrorists are trying desperately to undermine Iraq's progress and to throw that country into chaos. The terrorists in Iraq believe that their attacks on innocent people will weaken our resolve. That's what they believe. They believe that America will run from a challenge. They're mistaken. Americans are not the running kind.

The United States did not run from Germany and Japan following World War II. We helped those nations to become strong and decent democratic societies that no longer waged war on America. And that's our mission in Iraq today. We're rebuilding schools—a lot of kids are going back to schools—reopening hospitals. Thousands of children are now being immunized. Water and electricity are being returned to the Iraqi people. Life is getting better.

It's a lot better than you probably think. Just ask people who have been there. They're stunned when they come back—when they go to Iraq, and the stories they

tell are much different from the perceptions that you're being told life is like.

You see, we're providing this help not only because we've got good hearts but because our vision is clear. A stable and democratic and hopeful Iraq will no longer be a breeding ground for terror, tyranny, and aggression. Free nations are peaceful nations. Our work in Iraq is essential to our own security, and no band of murderers or gangsters will stop that work or shake the will of America.

Nearly every day in Iraq we're launching swift, precision raids against the enemies of peace and progress. Helped by intelligence from Iraqis, we're rounding up the enemy. We're taking their weapons. We're working our way through the famous deck of cards. We've already captured or killed 43 of the 55 most wanted former Iraqi leaders, and the other 12 have a lot to worry about. [Laughter] Anyone who seeks to harm our soldiers can know that our soldiers are hunting for them.

Our military is serving with great courage. Some of our best have fallen. We mourn every loss. We honor every name. We grieve with every family. And we will always be grateful that liberty has found such brave defenders.

In defending liberty, we are joined by more than 30 nations now contributing military forces in Iraq. Great Britain and Poland are leading two multinational divisions. And in this cause, with fine allies, we've got the Iraqis as well. They care about the security of their country. They want to be free. They love freedom just like we love freedom. Last week, the first battalion of the New Iraqi Army completed its training. Within a year, Iraq will have a 40,000-member military force. Tens of thousands of Iraqi citizens are also guarding their own borders, defending vital facilities, and policing their own streets. Six months ago, the Iraqi people welcomed their liberation. Today, many Iraqis are armed and trained to defend their liberty.

Our goal in Iraq is to leave behind a stable, self-governing society which will no longer be a threat to the Middle East or to the United States. We're following an orderly plan to reach this goal. Iraq now has a Governing Council, which has appointed interim Government ministers. Once a constitution has been written, Iraq will move toward national elections. We want this process to go as quickly as possible, yet it must be done right. The free institutions of Iraq must stand the test of time. And a democratic Iraq will stand as an example to all the Middle East. We believe, and the Iraqi people will show, that liberty is the hope and the right of every

Our work in Iraq has been long. It's hard, and it's not finished. We will stay the course. We will complete our job. And beyond Iraq, the war on terror continues. There will be no quick victory in this war. We will persevere, and victory is certain.

I am confident of victory because I know the character of our military, shown in people like Master Sergeant Jack Negrotti of Plaistow, New Hampshire. Jake is a member of the New Hampshire Air National Guard who's volunteered for overseas deployments 3 times since September the 11th. He served in Pakistan, Afghanistan, and Iraq. Right now Jake is an airport manager at Baghdad Airport, helping make sure our military and humanitarian operations move ahead.

People like Jake Negrotti are showing what it means to be a patriot and a citizen. We're honored to have Jake's wife, Donna, and his children, Alicia and Christopher, with us here today. Next time you talk to Jake, Donna, you tell him his President appreciates his service, and his country is grateful.

The war on terror has brought hardship and loss to our country, beginning with the grief of September the 11th. Let us also remember that the first victory in this war came on that same day, on a hijacked plane bound for the Nation's Capital. Those men and women on Flight 93 took action, served their country, knowing they would die. They found incredible courage in their final moments to save the lives of others. In those moments and many times since, terrorists have learned that Americans are courageous and will not be intimidated. We will fight them with everything we have.

Few are called to show the kind of valor seen on Flight 93 or on the field of battle. Yet all of us do share a calling, to be strong in adversity and to be unafraid in danger. We Americans have come through so much together, and we have much yet to do. If we're patient, united, determined, our Nation will prosper, and our Nation will win.

May God bless you all. Thank you all very much.

Note: The President spoke at 9:50 a.m. In his remarks, he referred to Maj. Gen. John E. Blair, adjutant general, Maj. Gen. Joseph K. Simeone, deputy adjutant general, Brig. Gen. John J. Weeden, assistant adjutant general, and Command Sgt. Maj. Michael Rice, New Hampshire National Guard; Gov. Craig Benson of New Hampshire and his wife, Denise; Brig. Gen. Benton "Chick" M. Smith, assistant adjutant general, headquarters, New Hampshire Air National Guard; Col. Carolyn J. Protzmann, vice wing commander, Lt. Col. Robert T. Monahan, operations group commander, Col. Leroy Dunkelberger II, mission support group commander, and Wing Command Chief Master Sgt. Ronald H. Nadeau, 157th Air Refueling Wing, New Hampshire Air National Guard; Ruth L. Griffin, councilor, Hampshire Executive Maureen Barrows, chair, Rockingham County Board of Commissioners; and former President Saddam Hussein of Iraq.